



Commonwealth of Virginia

Walter J. Kucharski, Auditor

**Auditor of Public Accounts
P.O. Box 1295
Richmond, Virginia 23218**

July 31, 2002

The Honorable J. Larry Palmer
Chief Judge
County of Prince George General District Court
PO Box 187
Prince George, VA 23875

The Honorable Charles A. Perkinson, Jr.
Chief Judge
County of Prince George Juvenile and
Domestic Relations District Court
PO Box 66
Lawrenceville, VA 23868

As part of our audit of the Virginia District Court System, we have audited the cash receipts and disbursements of the County of Prince George District Court for the period April 1, 2001 through March 31, 2002.

Our primary objectives were to test the accuracy of financial transactions recorded on the Court's financial management system; evaluate the Court's internal controls; and test its compliance with significant state laws, regulations, and policies. However, our audit was more limited than would be necessary to provide assurance on the internal controls or on overall compliance with applicable laws, regulations, and policies.

The results of our tests found the Court properly stated, in all material respects, the amounts recorded and reported in the financial management system. However, we noted weaknesses in internal controls and noncompliance with state laws, regulations, and policies that the Clerk needs to address as described below.

Properly Reconcile Bank Account

Although the Clerk completes the reconciliation forms, she does not resolve discrepancies between the bank's balance and the automated system's cash balance, when she finds differences. Proper bank reconciliations include identifying and resolving differences between the bank balance and the system's cash balance. Failing to reconcile the bank statements to the court's financial records may lead to undetected errors or omissions in the bank balance or the court's automated system. The Clerk should properly reconcile her bank account monthly by identifying and adjusting all reconciling items promptly. When the Clerk cannot reconcile her account, she should immediately seek assistance from the Supreme Court.

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Assess Only Approved Fees

In all five juvenile petitions tested, the Clerk improperly assessed court costs when not provided for by Section 16.1-69.48:1 of the Code of Virginia. The Clerk should make staff aware that court costs are not assessed on juvenile petitions and monitor for proper assessment on future cases.

Properly Document Due Date Changes

The Clerk does not consistently provide supporting documentation for due date changes on defendants' accounts for unpaid fines and costs. While the Judge consents to the Clerk granting additional time to pay at a defendant's request, the Clerk should document the reason for the change in the defendant's case file. Permitting undocumented changes to due dates for fines and costs raises the risk of fraud or theft of funds.

We discussed these comments with the Clerk on July 31, 2002 and we acknowledge the cooperation extended to us by the Court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK/cam

cc: The Honorable Samuel E. Campbell, Judge
The Honorable Gammie Poindexter, Judge
Donna L. Vtipil, Clerk
Don Lucido, Director of Technical Assistance
Supreme Court of Virginia
LeAnne Lane, Court Analyst
Supreme Court of Virginia